

FISCAL NOTE

SB 2436 - HB 3152

February 7, 2004

SUMMARY OF BILL: Provides a sales and use tax exemption for alternative fuel vehicles, which would include those powered by propane, electricity or hydrogen fuel cells.

ESTIMATED FISCAL IMPACT:

Decrease State Revenues - \$1,718,500

Decrease Local Govt. Revenues - \$36,500

Estimate assumes:

- According to U.S. Department of Energy statistics, Tennessee has approximately 833 private sector sales annually of vehicles that would be subject to this exemption.
- Sales are estimated to rise 15% due to implementation of this exemption.
- An average price of \$25,000 per vehicle.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White".

James W. White, Executive Director